

Mission
Organization
Approaches



July 1997

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Mission Organization Approaches

INTRODUCTION

The Organization Management Results Team of the REFORM Initiative has identified several approaches to organization for mission operating units. The four presented here are based on experiences of many of the Country Experimental Labs and other missions that have boldly stepped forward to define a new structure and way of organizing. The approaches also represent the current thinking of the Organization Management Team as it works to redefine mission organization.

We have purposely referred to the organizations presented here as approaches and not “models.” The Agency is still experimenting with different ways of organizing and ideal models have yet to emerge. We are also not yet prepared to judge the effectiveness of these approaches or endorse one over the other. The approaches can, however, be viewed as part of a continuum moving from a hierarchical structure to approaches that place most power and authority in the hands of those closest to our customers -- the Strategic Objective Teams and the Results Package/Intermediate Results Teams.

A list of terms is defined up-front to clarify nomenclature. The four approaches are then presented. The first is the hierarchical approach, which maintains the same basic structural organization from years past, but incorporates teams on an informal basis. The second approach is called the hybrid approach. The essential characteristic that defines this approach is that it replaces the Technical Offices within the hierarchy with Strategic Objective Teams. The first two approaches are the most common among missions that are reorganizing around teams. The subsequent approaches are more theoretical in that we have yet to identify any missions that are utilizing them in their purest sense. The third approach is that of a matrix organization that is designed with vertical functional offices intersecting with horizontal teams (the Strategic Objective Teams). A variation on this approach is the multifunctional team approach which places most of the power and authority of the organization within the Strategic Objective Teams. Lastly, a synthesis approach is presented that borrows the best elements of the matrix approach and also consolidates some of the vertical office functions.

The approaches are presented here with general descriptions. However, we must caution that our work to date suggests that the real defining characteristics of how these approaches work are found in the details of implementing them. For example, roles and relationships in the organization and the authorities mission management delegates to Strategic Objective Teams must be clearly defined to obtain the highest degree of operational effectiveness from any of the approaches.

ORGANIZATION GLOSSARY

Aligned Team - A team that is established as part of the existing organizational alignment (e.g. a strategic objective core team that replaces a technical office within an operating unit).

Approach - A prototype or model of an organization structure.

Core Functions - Those functions essential to the operations of a mission.

Core Team - The team of USAID members who provide the expertise to carry out the essential functions (and may be authorized to carry out inherently U.S. governmental functions) relevant to implementing the Strategic Objective. Core team members are usually full-time on the team.

Diversity - The Agency's core value where workforce would reflect the multicultural and diverse global customer base and the workplace environment values the richness of experience and the contributions of all.

Expanded Team - The core team plus other U.S. government employees and partner and customer representatives committed to achieving the strategic objective.

Functional - The similar areas of operational responsibility normally clustered under an organization unit.

Hierarchical/Traditional - A division of functions within a formal organization where individuals are assigned to perform specific work in a normally vertical reporting scenario.

Home-base - Organization unit where an employee is permanently assigned, usually in accordance with the employee's functional role.

Line - Authority over activities is directly related to the major objectives and results.

Matrix Management - Organization on a functional basis as well as a management basis where the two intersect at multiple points.

Parallel Team - A team that exists concurrent with the existing organization structure; may be permanent or temporary. Examples include a SO Team that exists alongside technical offices and a team established for a special task with cross-cutting membership drawn from existing offices. See also Aligned Team.

Staff - Authority over the activities is indirectly related to the major objectives and results.

Support Functions - The "non-technical" operational and administrative functions, e.g., contracting, financial management, executive office, program, etc. See also Technical Functions.

Technical Functions - Specific disciplines central to achieving results in the five program areas of sustainable development. See also Support Functions.

Temporary - Exists to accomplish a specific task for a specific period of time.

Mission Organization Approaches

THE HIERARCHICAL/TRADITIONAL ORGANIZATION WITH PARALLEL TEAMS

The organization structure:

This structure maintains the hierarchical/traditional approach common in USAID prior to reengineering with traditional functions organized into offices in a hierarchical structure. Teams are established in parallel to this structure. For example, membership of SO teams is drawn from the existing technical offices and the other support offices, as needed.

General Characteristics of this Approach:

- a) Technical and support functions are retained, usually in the form of offices organized along functional lines, including the Mission Director's Office, Technical Offices, and Support Offices (Program, Legal, Controller, EXO, and Contracting). Representatives from the offices serve on teams, as appropriate.
- b) SO team members are drawn from the various offices, as needed. Typically, the technical staff for the SO team will come from the related technical office from the respective sector and support function staff will round out the team.
- c) SO Team Leaders may be the USDH Technical Office Chiefs, Division Chiefs from within technical offices, or other personnel including a USPSC or senior FSN.

Advantage: This approach to teams is very fluid in its ability to respond quickly to changing priorities, to create and disband teams as necessary, to access different skills within the Mission with a minimum of time expended on formalizing new relationships.

Disadvantage: This is a fragile approach to teaming due to its lack of formally structured roles and relationships for the teams. If empowerment and delegations of authority to the teams are not clearly articulated, teams will be ineffective and may find that their sense of purpose and cohesiveness is weakened over the longer term by the lack of a more formal structure for teams. Team members may find themselves torn between the conflicting loyalties to their home offices and their teams.

THE HYBRID ORGANIZATION WITH ALIGNED TEAMS

The organization structure:

This approach uses the hierarchical/traditional structure, to varying degrees, with regard to functional offices. The mission retains some of the functional offices, primarily those responsible for staff or support functions (such as Program, Legal, Controller, EXO, and Contracting). SO teams are aligned organization units and are established as part of the organizational alignment with the offices. The strategic objective teams replace the technical offices of the past.

General Characteristics of this Approach:

- a) The SO teams are responsible for line operations as well as for conducting activities directly related to strategic objectives.
- b) SO team members have their home-base on the SO team. The support offices may lend human resources to the SO teams, as needed.
- c) SO team leaders may be the former USDH technical office chiefs or other staff.

Advantage: This approach highlights the importance of the SO teams by aligning them, along with offices, as part of the organization structure. Roles and responsibilities of the teams vis-a-vis the offices are well defined. SO teams can be easily empowered with delegations from and a direct line to the Mission Director. SO team members' primary loyalties are to the team rather than a home office.

Disadvantage: This approach is somewhat rigid in that the teams are aligned. The mission may not be able to easily adapt its structure to changing program priorities or to create and disband teams as quickly as necessary.

VARIATIONS ON THE HYBRID ORGANIZATION

Variations on the hybrid organization might employ a matrix management or multifunctional team organization approach. A third possibility is some form of synthesis that employs a matrix structure with mission offices that consolidate basic support and enabling functions into fewer units: strategy/results assessment; program operations; and program support. Office structures involving some hybrid version of teams and hierarchical approaches are particularly appropriate for larger posts.

The matrix approach would employ vertical and horizontal units reporting as equals to the Mission Director. Power is shared across the matrix and staff have two "bosses," one a supervisor of record (from the vertical functional unit) and one Team Leader (from the horizontal achieving unit (SO team)).

A multifunctional team organization carries the matrix organization a step further. In this arrangement, multifunctional Team Leaders (the horizontal Team Leaders -- SO teams) have authority to make decisions, e.g., programmatic, personnel, resource allocation, and the vertical units support him/her. Staff working in the multifunctional teams work for the Team Leader. The balance of authority and responsibility is with the SO Team Leaders.

DEFINING CHARACTERISTICS OF TEAMS AND OFFICES WITHIN THE APPROACHES:

1. Team Issues:

a. What is the structure of the SO Team?

The strategic objective team should include the knowledge, expertise, and authorities necessary to be able to respond as a self-contained to customer needs and to achieve results. The core team should be five to eight people and will typically have a lifespan, commensurate with the Results Framework, of about five years and, therefore, will be semi-permanent organizational features of the Mission. The core team should be drawn from across functions (and, therefore, across office lines) rather than from a single function (such as a technical expert from a technical office). Relevant technical staff will be at the heart of the strategic objective team. The core team can also be staffed with members drawn from the various support functions of the Agency/operating unit, including Program/Project Development, Financial Management, Procurement, Legal Advisors, Information Resources, etc. Strategic objective teams should be delegated full authorities by the mission director in accordance with ADS 202.5.2 and the operating unit's needs. This delegation should ensure that the team is fully empowered to carry out its responsibilities for achieving the strategic objective.

Results Package Teams (RPs) or Intermediate Results Teams (IRs) may exist as sub-groups to implement and monitor a specific set of activities. Results Package teams are sub-teams of the SO teams and carry out activities necessary for the accomplishment of the Strategic Objective. Results package teams usually have a core of 2-3 people, consisting of "activity manager" and key colleagues in support role. RP teams normally operate as temporary teams and arrangements are often informal. Results package teams will likely have a 2-3 year life-span.

USAID teams are encouraged to make use of expanded team members. These are members who are not part of the core team but whose participation and input is important to achieving the SO. Virtual team members should also be used, where appropriate, to include participation from key people who are not physically located with the rest of the team.

b. What is the membership of the SO teams?

Membership of SO Teams is multifunctional and cuts across traditional functional

lines. This multifunctional requirement can be met by forming a team with personnel of diverse skills and expertise to achieve a common goal. Core team members spend most or all of their work effort on the SO teams. As a rule, not all Mission staff serve on a team. Depending on the work an employee is hired for, their function may be used on SO teams. Typically, technical personnel will serve as core members in their respective strategic program areas. Program development staff, financial analysts, and acquisition specialists staff may all serve as SO Team members on a part or full-time basis. Less frequently, EXO staff serve as part or full-time members. Frequently a representative from one SO team may serve on another SO team to enhance the synergism within the Mission. The majority of the staff from operational (support) offices do not serve on teams.

c. How is membership on a team determined?

Care must be taken to design structures which are flexible enough to avoid the rigidity which will hamper a team's ability to respond to the needs of implementing an SO. The composition of the teams is determined in part by the degree to which the Mission Director is willing to relinquish control of directing the membership. A Mission Director should constantly monitor team results and membership to assure that all functions are adequately attended, and that human resources are well used. A number of factors can determine SO Team Membership:

- 1) Core team members are often migrated from the old technical offices related to the SO Team. Team-building training and adoption of team principles can help make this a meaningful transformation.
- 2) SO team participants can also be selected from the line offices, based on historical relationships, to fill out the core and expanded team either in part-time or full-time service.
- 3) Team members may "volunteer" to serve in positions on the teams, with final determination made by the team leader, Mission Director, or others in collaboration with the existing offices.
- 4) Missions may choose to use a competitive process when constructing the teams. In this case, team needs are first identified, position descriptions are written, and staff within the mission may bid on these positions. The selection of team membership may be done by the Mission Director, by previously appointed Team Leaders, by a selection panel, or by a collaborative process among the relevant players. Missions adopting this approach must make concerted efforts to ensure fairness and equity in the process.
- 5) Similarly, in the case of a mission adopting a new SO, or the need to adopt new members on an existing SO team, membership may be determined by an informal bidding process, whereby potential team members bid for membership on an SOT. Staff time could be bid either as 'on-loan' assistance from an employee in a line or support office, or as a full-time employee devoted only to the SO. If a new SO is taking shape, staff may be bid from on-

board expertise on other SO teams in the mission, or they may be brought in as new-hires. If the staff member's time commitment is to be significant (taking perhaps 20 percent or more of the part-time member's time on an ongoing basis), the office chief and/or the Team Leader should consider putting team activity in the employee's work objectives as a formal part of the annual evaluation.

6) Whichever approach is used, team membership and staff time must often be negotiated between the relevant home offices and/or teams to ensure adequate work coverage and distribution of workload.

7) Charters can help clarify, define, and formalize team membership, the roles and responsibilities of team members, and team members' relationships to the offices.

The start of the evaluation cycle is a good time of year to review team staffing, so that employee work objectives can be drafted according to team needs.

d. How are Team Leaders selected? Do non-USDH personnel serve as Team Leaders? If so, how? How do the Team Leaders (FSNs included if they serve as Team Leaders) interact with Mission Management?

1) Team Leaders can be selected or formally designated by the Mission Director.

2) A steering committee or selection committee may appoint Team Leaders from mission staff who possess the necessary technical, facilitation, negotiation, interpersonal, and other required skills.

3) Alternatively, Team Leaders (including those for Results Package or Intermediate Results Teams) can be selected by the team membership itself. In this case, the Team Leader can serve in the position through the life of the team, or the role can be rotated among all or several of the team members.

4) Some missions and teams may choose to experiment with self-directed teams, i.e., no Team Leader. In this case, missions must be careful to ensure that supervision over team members is exercised from a home base outside the team.

5) SO Team Leaders may be drawn from a variety of personnel. In a hierarchical approach, many are USDH Office Chiefs from the Technical Offices. In these Missions, the SO Team Leaders usually report directly to the Mission Director or other senior manager. However, Team Leaders may also be Division Chiefs and others, including USPSC and FSN staff. If USDH employees serve on teams led by USPSCs or FSNs, the USDH could have an administrative home base elsewhere in the mission, thus avoiding the situation prohibited in Agency policy of FSNs or USPSCs supervising USDH. These USDH would have written evaluations done in the chain of command to the mission director.

In a hybrid approach, Strategic Objective teams preferably would not be headed by office directors, who have distinct and possibly conflicting duties. Instead, SO teams would be headed by individuals with a) experience and/or b) personal/job rank-- whether USDH, USPSC, or FSN--commensurate with the size of the Mission, the SO's resource level, its complexity, and its extent of sectoral multi-dimensionality. [For USDH, during the course of a career, this could be a succession of more challenging SO assignments/office management assignments, with "team" and "office management" assignments interspersed.]

6) Mission Directors retain varying degrees of "control" over the SOTs. Teams may be fully empowered by the Mission Director, who provides only general programmatic guidance to the SO Team Leaders. The SO Team Leaders then direct team operations within the budget and human parameters set through the annual R-4 budget allocation process. Frequently, the Mission Director oversees functioning of the teams in a broad sense to ensure that Mission policy and programmatic direction is maintained.

e. What is the reporting relationship and authority of the SO team?

They will report to the Director on results achievement. SO teams and sub-teams, e.g., Results Package teams, can be "chartered" by the next highest level of results management. SO teams would execute charters defining, among other things, team membership and roles. These charters would be co-signed by the Mission Director and the Team Leader. For example, SO teams would be chartered by the USAID Director (with office director clearance) and would, in turn, charter sub-teams. Charters would lay out the "result" for which the team is responsible, financial and personnel resources, timeframe for results, the extent of delegated powers, and any conditions placed on that charter.

f. What teams exist beyond the SO Teams?

All organization units can function with teamwork principles, even if they are arranged along hierarchical functional lines. Teams other than SO teams may be established as needed. Such teams can be established as part of the organization structure or exist parallel to that structure. Temporary teams may be used and organized around short-term activities such as developing a new strategic objective, the mission's hosting of a conference, or responding to a disaster. Teams may be formed to meet special needs such as to focus on Reengineering or Outreach, or to form a Senior Management or Steering Team. With a matrix approach, vertical teams contain support functions and horizontal teams are multifunctional.

Under a synthesis approach, because of the residual checks-and-balances still required in Mission program management, especially at larger posts, two of the consolidated offices, Strategy/Results Assessment and Program Support, may continue to exercise some non-team based functions at the office leadership level. For example, the Mission Controller may not be a core member of any SO team and would have separate fiduciary responsibility, but Controller personnel assigned to him (as home base) would become core SO team members if their time-commitment was substantial.

2. Office Issues:

What functions are maintained within the office structure?

Offices perform staff or support and administrative functions, for the most part, not directly related to any one strategic objective. Office members have as home-base the functional offices with internal management responsibilities for tasks such as program monitoring and design, managing OE resources, managing human resources, and financial accounting and financial analysis. Offices also serve as a home base for expertise needed only occasionally by SOs. Examples: The Program Office may house expertise for the evaluation or design of activities; the EXO may house customs clearance or local compensation expertise; the FM Office may house expertise in financial analysis. These skills could be lent by the office on a part-time basis to the SOs. Loyalty of the loaned employees to the SO could be ensured by adding the SO work as an objective in the employee's annual evaluation.

The principal function of the office is to provide a professional, technical and administrative "enabling environment" for teams and provide an operational home-base for sector development expertise, rather than be the locus of program management decision-making *per se*. In a syntheses approach, the following consolidated offices would serve that purpose:

1. Strategy/Results Assessment - This office would manage preparation of overall country program strategy, Mission goals, R-4 preparation (outcome of performance review, overall budget), and evaluation planning/scheduling/review. It would also act as Executive Secretariat on "program" matters for the Director. Core personnel skills may include: program/PDO/program economist and evaluation.

2. Program Operations - This office establishes and maintains a talent base of subject matter expertise in sector development areas the Mission requires to implement its strategy through the SO teams/results package teams. Disciplines may include: health/pop, private enterprise, housing, democracy/government, agriculture, economics, and/or other development disciplines.

3. Program Support - This office establishes a talent base for support functions and has direct responsibility for executing the Mission's acquisition/assistance (A&A), financial management, and post administration activities. Personnel core: controller, executive officer/GSO, contracting/grants officer.

3. Cross-cutting Issues -- Roles and Responsibilities:

a. How are supervisory and Team Leader roles defined? How are supervisory, Team Leader, and other reporting relationships defined?

Management Contracts between the Mission Director and the SO Teams are used by some Missions to define the expected results, the reporting relationships, etc. Other Missions lay out these issues in a Charter while still others have nothing formalizing these decisions.

Supervisory roles are defined in terms of functional responsibility to the area of management at hand: mission management, administrative management, financial management, procurement, program oversight, etc. Supervisors are responsible for coordinating the work of their office members, and evaluating that work.

Team Leaders are responsible for coordinating the work of their team members, both full-time and part-time. Team Leaders' success in their roles are defined in relation to the team achieving its stated result. As the Agency transitions to use of SO Teams, conscious efforts must be made to acknowledge the value of team contributions, as distinct from contributions traditionally made in the technical office structures.

In the matrix organization, all heads of vertical and horizontal teams report directly to the Mission Director. Therefore, supervisory and Team Leader roles are usually appointed by the Mission Director. SO (horizontal) Team Leaders may be former supervisors of technical offices and the mentoring and coaching role for Team Leaders and vertical unit heads is emphasized. Traditional supervisors may be maintained in the support areas as vertical unit leaders.

Within a synthesis approach, office directors would be expected to be professionally conversant and sufficiently skilled to manage an office comprised of multiple backstops. [Career advancement for USDH in part could be measured by experience in a succession of offices--post to post--of increasing size, complexity, and professional multi-dimensionality.]

b. What delegations of authority to offices and teams exist?

Mission Directors retain varying degrees of management control over the SOTs empowering SOTs with or without formal delegation, or by providing only broad oversight to ensure that Mission policy and programmatic direction are maintained with no formalization of the relationship.

The functional officers exercise those delegations typically granted by virtue of the positions: Mission Directors sign SOAGs; contracting and grant officers have warrants; certifying authority is with the controller; EXOs sign travel authorization, approval benefits, sign small contracts. All this authority is exercised in favor of the general functioning of the mission and the achievement of its Strategic Objectives.

SO teams have detailed team charters that outline results, responsibilities, and authorities. Other teams may also have charters outlining their relationships and support to achieving teams. Vertical units in a matrix approach, may also have charters to clarify their responsibilities in relation to the horizontal teams.

The SO teams are delegated authority to carry out activities sanctioned in the R-4. As a general rule, the Mission Director will not intervene in day to day activities of the SO teams, but will aggressively monitor their activities, and evaluate the Team Leaders based on their accomplishment of Strategic Objectives. In the event a Mission Director sees a serious breakdown in accountability, either in the SO team or in an Office, he/she would invoke 'out of bounds' authorities spelled out in charters, and intervene to replace or override the leader or supervisor. This should happen only rarely, and in exceptional circumstances.

c. Who does the AEFs? Who handles the other administrative functions such as approval of leave, disciplinary issues, etc.? How are reporting relationships defined?

The home-base handles most administrative functions such as approval of leave and disciplinary issues. In some cases, evaluations continue to be written by the Office Chiefs with 360 degree input from SOT members. In other cases, the SO Team Leaders are responsible for writing the evaluations with 360% input from the team members and other Mission personnel. Many Missions are currently using some form of 360% input for FSNs and USPSCs as well as USDHs, although they may be using a modified version of the USDH AEF form.

Team Leaders will be responsible for the team's evaluation planning. The Team Leader may personally author evaluations for full-time members. Alternatively, the team may agree on other arrangements for evaluation authorship, and purposefully ease the burden of the Team Leader in conducting performance evaluations. 360 input is used rigorously in performance evaluation both in teams and throughout the mission, including the functional offices. Team members contribute 360 degree input to part-time members on loan from the offices in view of the SO-related work objective in those employees' work plans.

When an FSN or USPSC leads a team with a USDH as a member, the office structure would come into play for evaluation purposes to avoid the prohibitions on FSN or USPSC supervision of USDH. The USDH's performance review in this situation would be written by the Mission Director or other senior USDH evaluating the USDH as a member of the home-base office, e.g., a Technical Office, or the Program Office, and not by the Team Leader.

In the matrix approach, 360 degree input from both the vertical and horizontal units is essential for the employee evaluation process. Teamwork and team support objectives should be included in AEFs. AEFs may be written by either the horizontal Team Leaders or the vertical unit heads, depending on such factors as whether the employee spends the majority of their time on an SO team or functional area.

SO Team Leaders would be evaluated by the USAID Director, with mandatory 360-degree input from the office director of that Team Leader's "home-base" if it were other than the SO team. 360-degree input from other Mission management/staff would be encouraged but not mandatory.

The Mission Director reports to the AA for the Geographic Bureau in Washington, and to the Ambassador. Both the Team Leaders and the Office Directors report to the Mission Director. Missions should consider constituting the mission Appraisal Committee under the USAID Employee Evaluation Program for the SO Team Leaders with the Mission Director. Appraisal committees so constituted would evaluate each officer's performance within the team, be it fiduciary, advisory, supervisory or technical, to insure it contributes effectively to the accomplishment of its assigned strategic objectives. This should divert the possibility of too much effort being expended to achieve functional excellence, at the cost of Strategic Objectives.

d. How should Position Descriptions be approached in the team construct?

Position Descriptions for dedicated SO team members could be written so that an employee's role would be interchangeable among teams. Position Descriptions for office members would call for the employee to be available for work on SO teams, work approximately commensurate with employee grade. There may be a need to set a maximum amount of time an office member would spend on SO work (e.g. 20, 40, or 60 percent), so that their functional obligations remain covered.